Iowa Department of Cultural Affairs Cyndi Pederson, Director Talking Points Rebuild Iowa Advisory Commission August 5, 2008

Cultural Heritage

Overview of Importance of Culture, History and Arts/Damage Scope

- The Department of Cultural Affairs works with numerous individuals and businesses that have been impacted by Iowa's weather disasters, including small and large nonprofit arts, culture, and history organizations; city and county offices that maintain official and historic records; historic properties; and others.
- The Department is not a regulatory agency and we rely on voluntary reports. We have neither carrot nor stick for constituents to report damage and to make damage estimates available to us.
- The Department has learned about the level of damage incurred by Iowa's museums, theaters, art galleries, studios, organizations, individuals, historical properties, cemeteries, archaeological sites and many other properties and assets through a series of conference calls and a special email account regarding physical damages, and through a survey to assess financial needs and filings with FEMA and the Small Business Administration.
 - o The responses received by the Department do **not** constitute a comprehensive view of the scope of damages or assessment of current and future financial needs.
- To date, the Department has received information about:
 - o damage to property such as theaters, museums and historic buildings.
 - o organizations housed in damaged buildings.
 - many have been forced to find temporary office space and alternate sites to present theatrical productions, art exhibitions and other events.
 - o artists who have been prevented from entering their studios, some of which were on upper stories of buildings deemed unsafe to enter.
 - o mold issues that continue to be a serious concern.
 - o theaters and historic buildings that are still being tested for structural integrity.
 - There are concerns that the first reaction is to declare a historic building to be beyond repair.

 Concern that historic architects and those with special skills in working on historic buildings may not be part of the assessment teams evaluating structures.

o EXAMPLES of damage reports:

- About 75-80 percent of Cedar Rapids' cultural organizations have been impacted and the entire Czech Village and New Bohemia Historic District is damaged.
 - 1. Cedar Rapids cultural leaders estimate damages in excess of \$100 million in Cedar Rapids alone.
 - 1. the Paramount Theater in Cedar Rapids estimates it had 35 feet of water invade its building.
 - 2. African American Museum in Cedar Rapids had 6-12 feet of water.
 - 3. Ushers Ferry Historic Village in Cedar Rapids had several buildings washed away.
 - 2. Losses to museums and cultural organizations are not limited to buildings but include artifacts, objects, photographs, documents and other cultural resources.
 - 1. Paramount Theater lost its organ.
 - 2. Ice House Museum, Dan Gable Wrestling Institute, Czech and Slovak Museum, African American Museum, Seminole Farms, Ushers Ferry and many others had museum artifacts and document collections impacted.
 - 3. Loss to museums and cultural organizations is not limited to direct water contact with collections. High and uncontrolled temperature and humidity levels impact collections that were not "wet" but may not have been removed from affected structures.
- complete loss of historic pedestrian bridge in Charles City and loss of one span of the Sutliff Bridge in Cedar County.
- The Dan Gable Wrestling Institute Museum suffered significant flood damage.
- The Ice House Museum in Cedar Falls suffered significant flood damage

- Hancher Auditorium and the University of Iowa Art Museum were among the buildings that suffered significant flood damage in Iowa City.
- The George M. Verity towboat dry-docked in Keokuk had water over its deck.
- The Alvin Miller House in Charles City, a Frank Lloyd Wright house, suffered approximately \$1 million in damages.
- The Department has been responding by offering:
 - o technical and financial resources, including:
 - information about preservation of flood-damaged older and historic buildings.
 - contacts for dealing with damage to cemeteries, museum collections, photographs, manuscripts and other paper records.
 - o the State Historical Society of Iowa has made a limited amount of emergency REAP/HRDP grants of up to \$15,000 available to holders of museum and documentary collections.
 - o the Iowa Arts Council is making a limited number of emergency Arts Relief Grants up to \$500 available.
 - o Developed emergency grant process for historic site preservation grants.
- In the short time the survey has been out, the Department has received 33 voluntary responses representing a wide variety of cultural resources. Even with these few responses, there are some clear trends:
 - o Nearly 3/4 of the respondents have NO insurance coverage for any damage they incurred.
 - Not a single individual artist that responded indicated that they had any insurance coverage, and only 1 responding arts organization had any insurance coverage that would apply. A few historic organizations, museums, and historic properties fared somewhat better.
 - Insurance claims for the 8 respondents with some coverage totals more than \$2.6 million.
 - o More than 1/3 of respondents will not be filing with FEMA; 1/4 has not done so yet, but intends to file.

- There is an enormous continuing need for basic restoration and recovery support, as well as technical assistance.
- A developing problem with a huge potential impact is the loss of revenue as organizations move forward; fewer ticket buyers, fewer people buying art work, fewer patrons in general for these important cultural resources in our communities.
- Weather-related damage to Iowa's culture, history and arts-related industries not only
 impacts the properties, organizations and individuals involved, it also has a negative
 impact on the state's economy in terms of lost jobs, job opportunities, revenues, and
 salaries and wages.
- The cultural arts generated 3,480 jobs and \$347 million dollars in and around Black Hawk, Montgomery, Pottawattamie, Wapello, Winneshiek and Woodbury counties and the 31 counties that surround them during a 12-month period ending last Fall.
- A 2006 survey of 63 cultural organizations in 11 Iowa counties in The Cultural Corridor

 the Cedar Rapids/Iowa City area found:
 - o \$63.08 million dollars total in local economic activity.
 - o Support for 1,986 full-time equivalent jobs.
 - o \$33.9 million in household income to local residents.
 - o \$6.21 million in local and state government revenue.
- In Greater Des Moines, a 2006 survey of 37 cultural, artistic and education venues found:
 - o \$87.74 million in sales.
 - o \$44.55 million in value-added services.
 - o \$29.9 million in labor income.
 - o 1,944 jobs.
- The Travel Industry Association of America has documented 81 percent of adult travelers include a cultural event while on a trip of 50 miles or more away from home. Such travelers also bring the benefit of longer stays and higher average expenditures, in turn generating more revenue for the community.

Thoughts for Discussion

- 1. <u>Funding Mechanisms:</u> How can we identify and implement funding mechanisms to get Iowa artists, cultural organizations and businesses back to work?
 - Historic preservation tax credits give investors opportunities to invest in the rehabilitation of Iowa's historical properties for adaptive reuse.
 - The state of Iowa makes \$20 million available annually for historic preservation tax credits.
 - Existing historic preservation tax credits are already committed.
 - Investors have used the tax credit program to preserve and rehabilitate a number of historic buildings in small and large communities throughout the state:
 - the Masonic Temple in Des Moines.
 - Bank of Sumner in Sumner.
 - the Plymouth Block Building in Sioux City.
 - the Van Allen Building in Clinton.
 - POTENTIAL DISCUSSION ITEMS:
 - Should the state lift the cap on historic preservation tax credits?
 - Should the state create a special fund of historic tax credits available specifically dedicated to disaster relief? A dedicated fund of \$100 million in historic tax credits in a four year period to be administered using existing tax credit rules.
 - All Historic Site Preservation Grants are limited to work on "vertical infrastructure," which is defined in Iowa Code Chapter 8.57 as "land acquisition for construction, major rehabilitation of buildings, all appurtenant structures, utilities, and site developments." Activities that are not directly related to vertical infrastructure cannot be funded through the HSPG Program.
 - HSPG Administrative Rules stipulate:
 - The maximum allowable grant request is \$100,000.
 - The minimum allowable grant request is \$40,000.

• No more than two projects may be awarded within a single county in any grant cycle.

POTENTIAL DISCUSSION ITEMS:

- SHSI is limited by language in the Acts of Iowa to giving no more than two grants per county. We have adjusted the lower limit on the emergency HSPG grants to \$1,000 but the maximum remains at \$100,000 and SHSI believes it should remain there. The focus of SHSI's emergency grant program is on building stabilization so rehabilitation can be done when full financing packages are developed in the future.
- Could there be an amendment to the Acts language that would permit more than two emergency grants in a county?
 - DCA would suggest a limitation of "not more than \$200,000 per county." This is close to the original intent (no more than two \$100,000 grants in a county) and would be a way to address concerns that all funds could be devoted to a single county and leave others with nothing.
- Funding for artists and arts organizations through the Iowa Arts Council.
 Iowa continues to rank nearly last in the country for per capita investment in the arts, and the Iowa Arts Council does not have emergency-specific programs funded through the legislature.
 - Iowa ranks 45th in the nation for state legislative appropriations for per capita investment in the arts.
 - Iowa invests 42 cents per capita to support the arts; the national average is \$1.04.
 - Reports from disaster-affected constituents indicate that general operating support funds are the greatest need.

■ POTENTIAL DISCUSSION ITEMS:

- Should Iowa raise the level of the state's investment in the arts to the national average and provide funding for existing operating support grants and emergency operating support grants?
- 2. <u>Technical Assistance and Communications Programs:</u> How can we identify and implement strategies that improve information gathering from and dissemination of technical assistance to constituents.

- Coordination between county/city emergency management officials and cultural organizations.
 - Cultural resources are an integral part of each county emergency management plan but are often inadequately represented in those plans.
 - Local cultural resource managers too often do not inform local emergency management officials of the cultural resources in a given jurisdiction.
 - Knowledge of cultural resources especially in rural areas of the state is often inadequate.

■ POTENTIAL DISCUSSION ITEMS:

- Identification of cultural resources as assets in county and city emergency management plans will enhance the ability to protect those assets in the event of disaster.
- Training of local cultural resource managers and emergency management officials will result in more effective protection of cultural resources in future disasters.
- Development of comprehensive inventories of cultural resources in all parts of the state will improve disaster response in the future.
- Delivery of technical assistance to affected cultural resource owners is an important component of an effective response in time of disaster.
 - A relatively short window (48 hours) is available for protection of museum artifacts, photographs, records and other memorabilia.
 - Assessment of rehabilitation potentials for historic buildings needs to include specialists in historic preservation as part of the assessment teams.
 - Recovery following a disaster results in greatly increased demand on the State Historic Preservation Office (SHPO) for determination of project impacts on historical resources. Demand for project reviews required under the National Historic Preservation Act (Section 106) will continue for many years into the future.

POTENTIAL DISCUSSION ITEMS:

• Development of a Technical Assistance Network of trained professionals could make technical advice available in all parts of the state on a short notice.

- Utilization of Emergency Management Assistance Compact (EMAC) mission descriptions for cultural resource preservation could be a tool for delivery of technical assistance in the time of declared emergencies.
- Response to Section 106 project reviews is required within 30 days of receipt. That time frame cannot be met with current staff levels. A combination of federal and state funding sources for additional staff is essential.
- 3. <u>Preparedness planning and training is essential for response to future disasters and effective communication systems for data collection on disaster impacts.</u>
 - CHAT Culture, History, Art Teams is a new networking program for Iowa's cultural workers and their supporters, and a reporting tool that will help document their activities and generate more data about the economic impact they have on the state.
 - Iowa's creative economy is growing every year as our cultural workers produce more events and programs that enhance the quality of life for people in our state.
 - The potential for job growth in this area is enormous, but we continue to hear from cultural workers and their supporters who say they need help in making sure their concerns and requests are being heard by local and state leaders.
 - CHAT's mission is "to empower the people of Iowa to create a solid infrastructure of cultural advocates committed to improving the quality of life through an expanded awareness of culture, history and the arts."
 - CHAT Objectives include:
 - create 13 strong and active CHAT regions that have a solid communication network.
 - develop baseline data of the number of cultural activities that Iowans participate in to aid in stimulating the state's economy.
 - communicate with the Department of Cultural Affairs on a monthly basis.
 - synthesize new approaches to bringing a greater quality of cultural life to all Iowans.

- DCA RECOMMENDATION: Strengthen CHAT as a network and reporting tool to mitigate future disaster damage and improve assessments of constituent needs.
- Coordination between state level programs and national training opportunities is essential for development of comprehensive disaster response plans for cultural organizations.
 - Several programs are being developed related to disaster preparedness training by national organizations.
 - Iowa's participation in and promotion of these training opportunities depends on commitment to the programs and financial support to make them possible.

• DCA RECOMMENDATIONS:

- Encourage and Support the Council of State Archivists, the Northeast Document Conservation Center and the Institute of Museum and Library Services as they develop training programs for deployment at the state level.
- o Encourage adequate federal support of the funding agencies that help local organizations respond to the disasters – the National Park Service (Historic Preservation Fund), the National Endowment for the Arts, the National Endowment for the Humanities, the National Archives and Records Administration, the Institute of Museum and Library Services.